

## **Rental Company License Statutes and Regulations:**

### **33-23-12.**

(c)(1) As used in this subsection, the term:

(A) 'Limited licensee' means a person or entity authorized to sell certain coverages relating to the rental of vehicles pursuant to the provisions of this subsection.

(B) 'Rental agreement' means any written agreement setting forth the terms and conditions governing the use of a vehicle provided by the rental company for rental or lease.

(C) 'Rental company' means any person or entity in the business of providing primarily private passenger vehicles to the public under a rental agreement for a period not to exceed 90 days.

(D) 'Rental period' means the term of the rental agreement.

(E) 'Renter' means any person obtaining the use of a vehicle from a rental company under the terms of a rental agreement for a period not to exceed 90 days.

(F) 'Vehicle' or 'rental vehicle' means a motor vehicle of the private passenger type including passenger vans, minivans, and sport utility vehicles, and of the cargo type, including cargo vans, pick-up trucks, and trucks with a gross vehicle weight of less than 26,000 pounds and which do not require the operator to possess a commercial driver's license.

(2) The Commissioner may issue to a rental company that has complied with the requirements of this subsection a limited license authorizing the limited licensee to offer or sell insurance through a licensed insurer in connection with the rental of vehicles.

(3) As a prerequisite for issuance of a limited license under this subsection, there shall be filed with the Commissioner a written application for a limited license, signed by an officer of the applicant, in such form or forms, and supplements thereto, and containing such information, as the Commissioner may prescribe.

(4) In the event that any provision of this subsection is violated by a limited licensee, the Commissioner may:

(A) After notice and a hearing, revoke or suspend a limited license issued under this subsection in accordance with the provisions of Code Sections 33-23-21 and 33-23-22; or

(B) After notice and a hearing, impose such other penalties, including suspending the transaction of insurance at specific rental locations where violations of this subsection have occurred, as the Commissioner deems to be necessary or convenient to carry out the purposes of this subsection.

(5) The rental company licensed pursuant to paragraph (2) of this subsection may offer or sell insurance through licensed insurers only in connection with and incidental to the rental of vehicles, whether at the rental office or by preselection of coverage in an individual, master, corporate, or group rental agreement, in any of the following general categories:

(A) Personal accident insurance covering the risks of travel, including but not limited to accident and health insurance that provides coverage, as applicable, to renters and other rental vehicle occupants for accidental death or dismemberment and reimbursement for medical expenses resulting from an accident that occurs during the rental period;

(B) Liability insurance, which, at the exclusive option of the rental company, may include uninsured and underinsured motorist coverage whether offered separately or in combination with other liability insurance, that provides coverage, as applicable, to

renters and other authorized drivers of rental vehicles for liability arising from the operation of the rental vehicle;

(C) Personal effects insurance that provides coverage, as applicable, to renters and other rental vehicle occupants for the loss of, or damage to, personal effects that occurs during the rental period;

(D) Roadside assistance and emergency sickness protection programs; and

(E) Any other travel or vehicle related coverage that a rental company offers in connection with and incidental to the rental of vehicles.

(6) No insurance may be offered by a limited licensee pursuant to this subsection unless:

(A) The rental period of the rental agreement does not exceed 90 consecutive days;

(B) At every rental location where rental agreements are executed, brochures or other written materials are readily available to the prospective renter that:

(i) Summarize clearly and correctly the material terms of coverage offered to renters, including the identity of the insurer;

(ii) Disclose that such policies offered by the rental company may provide a duplication of coverage already provided by a renter's personal automobile insurance policy, homeowner's insurance policy, personal liability insurance policy, or other source of coverage;

(iii) State that the purchase by the renter of the kinds of coverage specified in this subsection is not required in order to rent a vehicle; and

(iv) Describe the process for filing a claim in the event the renter elects to purchase coverage and in the event of a claim;

(C) Evidence of coverage on the face of the rental agreement is disclosed to every renter who elects to purchase such coverage.

(7) Any limited license issued under this subsection shall also authorize any employee of the limited licensee to act individually on behalf, and under the supervision, of the limited licensee with respect to the kinds of coverage specified in this subsection.

(8) Each rental company licensed pursuant to this subsection shall provide a training program in which employees being trained by a licensed instructor receive basic insurance instruction about the kinds of coverage specified in this subsection and offered for purchase by prospective renters of rental vehicles. Additionally, each rental company shall provide for such employees two hours of continuing education courses annually to be taught by a licensed instructor. A rental company shall certify that, prior to offering such coverages, each employee has received such instruction.

(9) Notwithstanding any other provision of this subsection or any rule adopted by the Commissioner, a limited licensee pursuant to this subsection shall not be required to treat moneys collected from renters purchasing such insurance when renting vehicles as funds received in a fiduciary capacity, provided that the charges for coverage shall be itemized and be ancillary to a rental transaction. The sale of insurance not in conjunction with a rental transaction shall not be permitted.

(10) No limited licensee under this subsection shall advertise, represent, or otherwise hold itself or any of its employees out as licensed insurers, insurance agents, or insurance brokers.

**120-2-3-.45 Rental company license.**

(1) Upon application to the Commissioner on the required form, a limited license for rental companies shall be issued provided that:

(a) The rental company meets the requirements for licensure under Chapter 23 of Title 33 of the Official Code of Georgia Annotated and this Regulation;

(b) Each applicant for licensure must remit the fee required by O.C.G.A. § 33-8-1.

(2) The applicant is not required to be sponsored by an insurer for licensure nor are they required to obtain a certificate of authority.

(3) No examination is required.

(4) The license is required for the principal location or home office only.

(5) The applicant is required to certify that all employees have received basic training as to the types of insurance products specified in O.C.G.A. § 33-23-12(c)(5).

(a) The instructor and prelicensing training program must be approved by the Department prior to making application for licensure;

(b) To request approval, the applicant must submit a course outline and instructor resume to the department;

(c) In lieu of creating a specific course for their employees, applicants may require their employees to complete the property and casualty prelicensing course from an approved entity.

(6) All licenses expire December 31 of the year issued. Licensees are required to renew the license prior to expiration on forms prescribed by the Commissioner and remit fee required by O.C.G.A. § 33-8-1 for renewal of said license.

(a) As part of the renewal application, the licensee will certify that each employee has received two (2) hours of continuing education training relative to the types of insurance offered by said company;

(b) The instructor and continuing education courses must be approved by the Department prior to making application for renewal;

(c) To request approval, the applicant must submit a course outline and instructor resume to the department;

(d) In lieu of creating a specific course for their employees, applicants may require their employees to complete the two hours from approved property and casualty continuing education course provider.

Authority.—O.C.G.A. §§ 33-2-9, 33-23-12, 33-23-18, 33-23-44.